

IY EXTRA! Deadlines approaching on a Whole New World (Wide Web):

Institutional TLDs and .xxx

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Trademark owners should be aware of two deadlines, one an opportunity to avoid potential embarrassment, October 27, 2011, the other an opportunity to control their own domain, April 12, 2012.

Potential Embarrassment: Earlier this year, the “dot-xxx” top-level domain (TLD) was approved as a voluntary option for the online adult entertainment industry. According to ICM Registry LLC, the owner and manager of the new dot-xxx domain, “The creation of dot-xxx will create a clearly signposted place where adult entertainment can be accessed and allow surfers to have a clear idea of the nature of the site before they click, rather than after.”

It is, however, also an occasion for opportunists to register “mainstream” names in the dot-xxx domain. Consider the possibility of Disney.xxx. While Disney may successfully challenge such a registration, it may be costly.

To limit this opportunism, during the “Sunrise” period, which ends October 27, 2011, owners of federally or internationally registered marks may ensure that their marks are not registered by others as domain names in the dot-xxx TLD, by filing a Reservation

Request to have those marks blocked. For a fee of approximately \$200, ICM Registry will remove from the pool of domain names available for registration in future phases of the dot-xxx registry, a domain name that corresponds to the complete textual component of the registered mark.

Your Own Domain: Beginning January 12, 2012, through April 12, 2012, the Internet Corporation for Assigned Names and Numbers (ICANN) will allow corporations and other institutions to apply for their own TLDs.

For example, IBM, whose current web address is www.ibm.com, might apply for the TLD “dot-computer”. If its application were approved, IBM might change its web address to www.ibm.computer. Moreover, once IBM owns the TLD dot-computer, anyone interested in using that TLD must to apply to IBM. Thus, if Dell wanted to register for the second-level domain www.dell.computer, IBM would have the right to deny Dell’s application.

After the application window closes on April 12, 2012, ICANN will publish all the applications for objection and dispute resolution. Thus, if IBM applied for the TLD “dot-dell”, Dell may file a dispute resolution request with ICANN. Both the applicant and the objecting party must then each deposit the estimated total cost of a proceeding. The prevailing party in a dispute resolution proceeding will have its deposit refunded, and the non-prevailing party will bear the cost of the proceeding.

Applying for a new TLD is costly: an annual fee of \$25,000 plus a one-time application fee of \$185,000. Among other things, the applicant must show ICANN that it intends actually to use the TLD and not to “cybersquat” – re-sell the domain name to the owner of a trademark contained within the domain name.